

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4716

**FISCAL
NOTE**

By Delegates Roop, Adkins, Watt, Bridges, Browning,
and Stephens

[Introduced; referred
to the Committee on]

1 A BILL to amend and reenact §17-3A-1, §17-3A-2, §17-3A-3, and §17-3A-4 of the Code of West
2 Virginia, 1931, as amended, relating to enhancing the flexibility, responsiveness, and
3 economic development potential of the Industrial Access Road Fund.

Be it enacted by the Legislature of West Virginia:

ARTICLE 3A. INDUSTRIAL ACCESS ROAD FUND.

§17-3A-1. Industrial Access Road Fund created; construction guarantees by municipalities and counties.

1 (a) Any other provision of this code notwithstanding, there is hereby continued in the State
2 Treasury the Industrial Access Road Fund, referred to in this article as "the fund". There shall be
3 deposited into the fund three fourths of one percent of all state tax collections which are otherwise
4 specifically dedicated by the provisions of this code to the State Road Fund or the percentage of
5 those tax collections that will produce \$3 million for each fiscal year. At the end of each fiscal year,
6 all unobligated moneys in the fund shall remain allocated to the county to which they were
7 originally allocated. These funds shall remain available for use for a period of three fiscal years
8 from the year in which the funds were originally allocated. Any funds not obligated within three
9 years of their original allocation shall revert to the State Road Fund.

10 (b) The moneys in the fund shall be expended by the Division of Highways for constructing
11 and maintaining industrial access roads within counties and municipalities to industrial sites on
12 which manufacturing, distribution, processing or other economic development activities, including
13 publicly owned airports, are already constructed or are under firm contract to be constructed.

14 (1) The moneys in the fund shall also be used for signage, signalization, safety-related
15 upgrades, and other improvements directly tied to an approved Industrial Access Road Fund
16 project, as well as for use as matching funds for federally funded transportation or road
17 infrastructure projects that benefit industrial or economic development areas.

18 (2) Counties that are members of a recognized regional economic development authority
19 or regional planning and development council (hereinafter referred to as "regional economic

development organization") may, by resolution of the county commission, allocate all or a portion of their Industrial Access Road Fund moneys to a project allowable under this program that is located in another county served by the same regional entity.

(3) Projects using shared county funds shall be coordinated by the regional entity, which shall serve as the lead project administrator responsible for planning, implementation, and compliance with Division of Highways requirements.

(4) For any such project, each contributing county shall adopt a resolution approving its contribution, and the coordinating regional entity shall submit a cost allocation plan to the Division of Highways identifying the amount contributed by each county.

(5) In the event there is no industrial site already constructed or for which the construction is under firm contract, a county or municipality may guarantee to the Division of Highways an acceptable surety or a device in an amount equal to the estimated cost of the access road or that portion provided by the Division of Highways, that an industrial site will be constructed and if no industrial site acceptable to the Division of Highways is constructed within the time limits of the surety or device, the surety or device shall be forfeited.

(6) For federally funded projects, the surety requirements shall be waived if approved by the Division of Highways.

§17-3A-2. Division of highways to determine construction of industrial access roads.

(a) In determining whether or not to construct or improve any industrial access road or otherwise undertake an eligible project under the Industrial Access Road Fund program, and in determining the nature of the ~~road to be constructed~~ project, the Division of Highways shall base its decision on the costs of the industrial access road project in relation to the volume and nature of the traffic to be generated as a result of developing the industrial site within the total industrial area, the cost of the proposed project in relation to its development potential and scope, the presence of confirmed industrial or economic development activity, or a clear and credible plan demonstrating such activity is imminent; and whether the project leverages federal funds or involves combined

resources through a recognized regional economic development organization. In making a decision on any industrial site project, the total volume of traffic to be generated shall be considered in regard to the overall cost of the project. The Division of Highways shall consult and work in cooperation with the West Virginia Development Office in determining the use of industrial access road funds.

(b) Prior to a formal request for the use of moneys from the fund to provide access to new or expanding industrial sites, the location of the industrial access road project for which the funds will be used shall be submitted for approval of the Division of Highways. The Division of Highways shall consider the cost of the industrial access road project as it relates to the project's location and its economic impact and as it relates to the possibility of future extensions of the road to serve other possible industrial sites as well as the future development of the surrounding area.

(c) Prior to the allocation of moneys from the fund for the construction or maintenance of an industrial access road to an industry proposing to locate or expand in a county or municipality project, the governing body bodies of the each county, or municipality, or regional economic development organization requesting money from the fund shall, by resolution, request moneys from the fund and shall be responsible for the preliminary negotiations with the industries and other interested parties. The Division of Highways shall be available for consultation with the governing bodies of the counties or municipalities and other interested parties and may prepare surveys, plans, engineering studies and cost estimates for the proposed industrial access road.

§17-3A-3. Industrial access roads to be part of state road system.

(a) Any industrial access road constructed under this article is a state local service road in the state road system and shall thereafter be maintained in accordance with the provisions of this chapter.

(b) For federally funded projects, the Division of Highways shall determine, at the time of project approval, whether the resulting road infrastructure shall be incorporated into the state road system and maintained as such, based on its long-term function, regional importance, and

7 consistency with state maintenance standards.

§17-3A-4. Restrictions on use of fund.

1 (a) The fund may not be used for the adjustment of utilities or for the construction of
2 industrial access roads to schools, hospitals, libraries, armories, shopping centers, apartment
3 buildings, government installations or similar facilities, whether public or private. The fund may not
4 be used to construct industrial access roads on private property.

5 (b) Moneys from the fund may not be expended until the governing ~~body~~ bodies of the each
6 county, or municipality, or regional economic development organization requesting money from
7 the fund certifies to the Division of Highways that the industrial site is constructed and operating or
8 is under firm contract to be constructed or operated, or, in the case of federally supported
9 infrastructure projects where the money from this fund is being used as match, the project has
10 received formal approval and a funding award from the appropriate federal agency administering
11 the grant or program, or upon the presentation of an acceptable surety or device in an amount
12 equal to the estimated cost of the access road or that portion provided by the Division of Highways
13 in accordance with section one of this article.

14 (c) ~~Not more than~~ Each county, municipality, or regional economic development
15 organization shall be allocated \$400,000 \$500,000 of unmatched moneys from the fund ~~may be~~
16 ~~allocated for use in any one county in any~~ each fiscal year. These funds shall remain available for
17 use for a period of three fiscal years from the year in which the funds were originally allocated. Any
18 funds not obligated within three years of their original allocation shall revert to the State Road Fund
19 The maximum amount of unmatched moneys which may be allocated from the fund is ten percent
20 of the fair market value of the designated industrial establishment. The amount of unmatched
21 funds allocated may be supplemented with additional matched moneys from the fund, in which
22 case the matched moneys allocated from the fund may not exceed 150,000, to be matched
23 equally from sources other than the fund. The amount of matched moneys which may be allocated
24 from the fund over and above the unmatched funds may not exceed five percent of the fair market

25 value of the designated industrial site. The Division of Highways shall evaluate the unmatched
26 funding thresholds set forth in this subsection at least once every five years and present its
27 findings and recommendations to the Joint Committee on Finance for consideration of statutory
28 adjustments. This evaluation shall take into account inflation, construction cost trends, and the
29 adequacy of funding to support access road and regional infrastructure projects.

30 (d) Funds may only be allocated to those items of construction and engineering which are
31 essential to providing an adequate facility to serve the anticipated traffic. Funds may not be
32 allocated for items such as storm sewers, curbs, gutters and extra pavement width unless
33 necessary to extend or connect an existing access road.

NOTE: The purpose of this bill relates to enhancing the flexibility, responsiveness, and economic development potential of the Industrial Access Road Fund.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.